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REFERENCE TITLE: school tax credit; classroom instruction.

State of Arizona
House of Representatives
Forty-sixth Legislature
First Regular Session
2003

HB 2421

Introduced by
Representatives Gray L, Huppenthal, Senator Leff: Representatives Barnes,
Johnson, Quelland, Stump, Yarbrough, Senator Blendu

AN ACT

AMENDING SECTION 43-1089.01, ARIZONA REVISED STATUTES; RELATING TO INDIVIDUAL
INCOME TAX CREDITS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 43-1089.01, Arizona Revised Statutes, is amended to
3 read:

4 43-1089.01. Tax credit; classroom instruction; definition

5 A. A credit is allowed against the taxes imposed by this title for the
6 amount of ~~any fees or~~ VOLUNTARY cash contributions paid MADE by a taxpayer
7 during the taxable year to a public school located in this state for the
8 support AND ENHANCEMENT of ~~extracurricular activities or character education~~
9 ~~programs of~~ CLASSROOM INSTRUCTION AT the public school, but not exceeding:

10 1. Two hundred dollars for a single individual or a head of household.

11 2. Two hundred fifty dollars for a married couple filing a joint
12 return. A husband and wife who file separate returns for a taxable year in
13 which they could have filed a joint return may each claim only one-half of
14 the tax credit that would have been allowed for a joint return.

15 B. The credit allowed by this section is in lieu of any deduction
16 pursuant to section 170 of the internal revenue code and taken for state tax
17 purposes.

18 C. If the allowable tax credit exceeds the taxes otherwise due under
19 this title on the claimant's income, or if there are no taxes due under this
20 title, the taxpayer may carry the amount of the claim not used to offset the
21 taxes under this title forward for not more than five consecutive taxable
22 years' income tax liability.

23 D. THE PRINCIPAL OF THE PUBLIC SCHOOL THAT RECEIVES CONTRIBUTIONS
24 UNDER THIS SECTION SHALL DETERMINE HOW THE CONTRIBUTIONS ARE USED AT THE
25 SCHOOL SITE.

26 ~~D.~~ E. For THE purposes of this section~~:-~~ , "CLASSROOM INSTRUCTION"
27 MEANS ACADEMIC INSTRUCTION THAT IS DIRECTLY RELATED TO TEACHING PUPILS THE
28 STATE'S ACADEMIC STANDARDS, INCLUDING CONTENT STANDARDS FOR THE ARTS ADOPTED
29 BY THE STATE BOARD OF EDUCATION.

30 ~~1. "Character education programs" means a program as defined in~~
31 ~~section 15-719.~~

32 ~~2. "Extracurricular activities" means school sponsored activities that~~
33 ~~require enrolled students to pay a fee in order to participate including fees~~
34 ~~for:~~

35 ~~(a) Band uniforms.~~

36 ~~(b) Equipment or uniforms for varsity athletic activities.~~

37 ~~(c) Scientific laboratory materials.~~